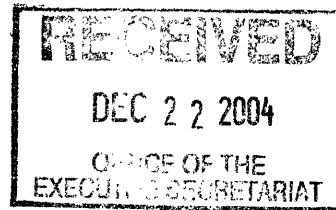


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December 16, 2004

VIA CERTIFIED MAIL

Mr. Rance C. Miles, Managing Agent
County Line Dairies 1 & 2
320 W. Hermosa Dr.
Artesia, New Mexico 88210

Re: Sixty-day Notice of Violations of the Clean Water Act

Dear Mr. Miles,

This letter is to provide you with notice of intent of Concerned Citizens for Clean Water, Inc., a New Mexico not-for-profit corporation and the Sierra Club (collectively "Concerned Citizens") to file a citizen suit against County Line Dairies 1 & 2, located at Lake Arthur, Chavez County, New Mexico, the mailing address of which is 320 W. Hermosa Dr., Artesia, NM 88210, pursuant to section 505(a)(1)(A) of the Federal Water Pollution Control Act, commonly known as the Clean Water Act, 33 U.S.C. § 1365(a)(1)(A) ("CWA"). You are hereby given notice that, upon the expiration of the sixty (60) day statutory waiting period, Concerned Citizens will file a civil action in federal district court.

County Line Dairies 1 & 2 (collectively referred to as "County Line Dairies"), have violated and continue to violate the CWA, EPA's CWA implementing regulations, and applicable state water pollution control laws, including but not limited to state water quality standards. The County Line Dairies are large Concentrated Animal Feeding Operations ("CAFOs") as defined by 40 C.F.R. § 122.23. CAFOs are considered point sources under the CWA. 33 U.S.C. § 1362 (14). Section 301 of the CWA, 33 U.S.C. § 1311(a), prohibits the discharge of any pollutant from a point source into waters of the United States unless such discharge is permitted in a National Pollutant Discharge Elimination System ("NPDES") permit. CAFO NPDES permits contain effluent limitations pursuant to Section 304 of the CWA, 33 U.S.C. § 1314, which establishes limitations on the discharge of pollutants from CAFOs on a national basis.

County Line Dairies are required to obtain NPDES permits, but have failed to do so, and so are in violation of the CWA. First, because the dairies each contain more than 700 mature dairy cows, and have discharged in other than a 25-year, 24-hour flood event, they were defined as large CAFOs prior to April 14, 2003, and so are required to have NPDES permits at this time. 40 C.F.R.

§ 122.23(g)(1). Past and-continuing discharges include, but are not limited to: land application of waste which does not conform to nutrient management practices that ensure the beneficial use of waste through nutrient uptake by fertilized crops at agronomic rates (see 40 C.F.R. § 122.23(e)); runoff observed by the New Mexico Environment Department on July 1, 1999; and improperly disposed cow carcasses and veterinary waste, such as was discovered at the dairies in March of 2004. Other discharges may have occurred of which only County Line Dairies or other eyewitnesses are aware.

County Line Dairies are not designed, constructed or operated to contain a discharge in the event of a 25-year, 24-hour storm event. The dairies have discharged, and continue to discharge, pollutants through point sources into waters of the United States including springs, wetlands, streams and irrigation and drainage canals, all of which eventually discharge to Walnut Creek and the Pecos River. County Line Dairies have discharged, and continue to discharge pollutants including, but not limited to, liquid and solid animal wastes. Such wastes contain, among other pollutants, fecal coliform and E. coli bacteria, other pathogenic substances, phosphorus, ammonia, nitrogen, nitrates and suspended solids and alter water quality indicator parameters such as biochemical oxygen demand and pH. County Line Dairies have never obtained NPDES permits for such discharges, and such discharges would not be permitted.

Secondly, EPA has stated that County Line Dairies were required to apply for NPDES permits by August 23, 2003. Findings of Violation and Order for Compliance, Docket No. CWA-06-2003-2029, U.S. EPA, July 24, 2003 at 8 ¶ B (requiring an application within 30 days of that order). Because County Line Dairies have failed to apply for NPDES permit coverage, they are in violation of the CWA for this independent reason as well. 40 C.F.R. § 122.23(g)(1)

Additionally, County Line Dairies are subject to national performance standards under 33 U.S.C. 1316. As industrial facilities subject to effluent limitations for storm water, County Line Dairies are required to have individual NPDES storm water permits for storm water discharges. Since County Line Dairies are not designed and constructed to contain the requisite process waste and storm water in the event of a 25-year, 24-hour storm event, industrial storm water NPDES permits are required at this time.

County Lines Dairies have violated the CWA in these regards every day since at least December 16, 1999, and Mr. Miles is responsible for these violations. Additional violations may be included in Concerned Citizens's legal action, where such violations are only known to County Line Dairies and/or eyewitnesses, where such violations were not reported by County Line Dairies as required by law.

We intend, at the close of the sixty (60) day notice period, to file a citizen suit under Section 505 of the CWA against each of the two County Line Dairies for the statutory maximum of \$27,500 per day for each violation stated above which has occurred since December 16, 1999, in addition to those which have occurred of which you are aware and those occurring subsequent to this letter, plus injunctive and remedial relief, costs, attorney and expert witness fees, and such other relief as may be appropriate.

Parties Giving Notice

The full name, address, and telephone number of the parties providing this notice are:

Concerned Citizens for Clean Water, Inc.
P.O. Box 115
Cloudecroft, NM 88317-0115
Phone: (505) 687-3022

Sierra Club, Rio Grande Chapter
1472 S. St. Francis Drive
Santa Fe, NM 87505
Phone: (505) 983-2703

Sierra Club
85 Second Street, 2d Floor
San Francisco, CA 94105-3441
Phone: (415) 977-5680

The attorneys representing these parties in this notice are:

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Western Environmental Law Center
323 Los Pandos Road
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Eugene, Oregon 97401
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Email: tebbutt@westernlaw.org

During the sixty (60) day notice period, Concerned Citizens will be available to discuss effective remedies and actions that might be taken to bring the County Line Dairies into compliance with law and to avoid suit. Please contact me if you wish to discuss any aspect of this notice or to discuss settlement of this matter during this time.

Sincerely,



Matt Kenna
Attorney for Concerned Citizens and Sierra Club

COPIES TO:

Mike Leavitt, Administrator
United States Environmental Protection Agency
401 M Street SW
Washington, D.C. 20460

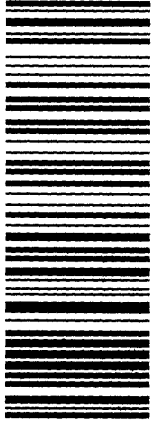
Richard Greene, Regional Administrator
Region VI of the United States Environmental Protection Agency
1445 Ross Avenue, Suite 1200
Dallas, Texas 75202

Ron Curry, Secretary
New Mexico Environment Department
P.O. Box 26110
1190 St Francis Dr., Suite #N4050
Santa Fe, NM 87502

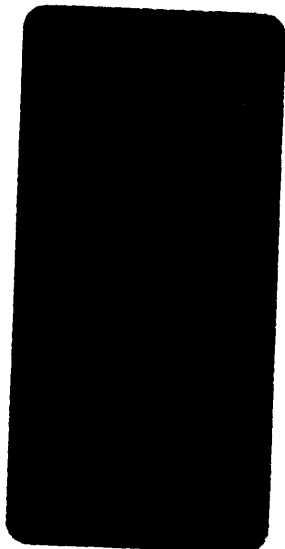
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